

# Consolidated Cash Flow Statement

For the year ended 31st December, 2003

	Notes	2003 HK\$'000	2002 HK\$'000
<b>OPERATING ACTIVITIES</b>			
Profit from ordinary activities before taxation		<b>97,017</b>	103,273
Adjustments for:			
Interest income		<b>(356)</b>	(1,187)
Interest expenses		<b>121</b>	52
Rental income		<b>—</b>	(313)
Allowance for bad and doubtful debts		<b>5,694</b>	—
Loss on disposal of property, plant and equipment		<b>1,747</b>	1,179
Unrealised holding loss on other investments		<b>8,334</b>	—
Depreciation and amortisation of property, plant and equipment		<b>30,574</b>	28,422
Amortisation of intellectual property rights		<b>5,308</b>	5,310
Deficit arising on revaluation of land and buildings		<b>2,213</b>	6,750
Deficit arising on revaluation of investment properties		<b>3,000</b>	500
Release of negative goodwill		<b>(420)</b>	(269)
Gain on disposal of subsidiaries		<b>(660)</b>	—
Operating cash flows before movements in working capital		<b>152,572</b>	143,717
Increase in inventories		<b>(43,173)</b>	(1,970)
(Increase) decrease in trade and other receivables		<b>(66,398)</b>	32,592
Increase (decrease) in trade and other payables		<b>56,517</b>	(39,598)
Cash generated from operations		<b>99,518</b>	134,741
Hong Kong Profits Tax paid		<b>(4,347)</b>	(4,908)
Taxation in other jurisdictions paid		<b>(10,307)</b>	(3,262)
<b>NET CASH FROM OPERATING ACTIVITIES</b>		<b>84,864</b>	126,571
<b>INVESTING ACTIVITIES</b>			
Purchase of property, plant and equipment		<b>(71,970)</b>	(40,597)
Acquisition of additional interest in subsidiaries		<b>(1,161)</b>	—
Disposal of subsidiaries (net of cash and cash equivalents disposed of)	28	<b>(540)</b>	—
Proceeds from disposal of property, plant and equipment		<b>579</b>	76
Interest received		<b>356</b>	1,187
Loan to an associate		<b>—</b>	(2,340)
Rental received		<b>—</b>	313
<b>NET CASH USED IN INVESTING ACTIVITIES</b>		<b>(72,736)</b>	(41,361)

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For the year ended 31st December, 2003

	2003 <i>HK\$'000</i>	2002 <i>HK\$'000</i>
<b>FINANCING</b>		
Dividends paid	<b>(57,369)</b>	(57,796)
Repayment of bank loans	<b>(8,449)</b>	(3,900)
Repurchase of shares	<b>(7,345)</b>	(312)
Interest paid	<b>(121)</b>	(52)
Bank loans raised	<b>22,705</b>	500
Proceeds from issue of shares	<b>8,190</b>	—
Dividend paid by a subsidiary to a minority shareholder	—	(2,880)
Loans from minority shareholders	—	2,775
Capital contribution from minority shareholders	—	926
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>(42,389)</b>	(60,739)
<b>(DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(30,261)</b>	24,471
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR</b>	<b>125,811</b>	101,346
<b>EFFECT OF FOREIGN EXCHANGE RATE CHANGES</b>	<b>(480)</b>	(6)
<b>CASH AND CASH EQUIVALENTS AT END OF THE YEAR, representing bank balances and cash</b>	<b>95,070</b>	125,811